

PESA Assessment Report May 2024

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1. Introduction

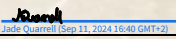
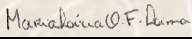
The Professional Education for SAI Auditors exam sitting was held 23 May to 31 May 2024. Assessment exams were sat either at a Pearson Vue test Centre or where this was not available on the Pearson Vue 'OnVue' system with online proctoring.

After the exams were sat by PESA candidates the examining team met to discuss the papers and moderate the results. Overall, the exams were felt to be challenging but fair assessing the learning objectives communicated throughout the course.

Table 1.1 Candidates' performance

Stream	Number of exams	Pass	Pass rate	No. of Certificates Issued
CC	151	117	77%	
CA	35	25	71%	27
FA	45	29	64%	32
PA	70	46	66%	51

This takes the total number of participants holding a PESA Certificate of Competence to 372. The examining team was delighted to note that 10 participants have now gained 2 PESA Certificates becoming double certified. This leads us to a total of 99 Certified Compliance Auditors, 129 Financial Auditors and 154 Performance Auditors.

Examiners Name	Signature	Date
Jade Quarrell	 Jade Quarrell (Sep 11, 2024 16:40 GMT+2)	11-Sep-2024
Maria Lucia Lima		12-Sep-2024
Karma Tenzin		12-Sep-2024
Shofiqul Islam		12-Sep-2024

2. Cross-Cutting

This is the examiner's report related to the PESA exam for Cross Cutting Competencies held from 23 May to 31 May 2024.

2.1. Exam Structure

- **Number of Questions:** 35
- **Types of Questions:** Computer marked
- **Sections:** 15 stand-alone questions and 4 case studies of 5 marks each
- **Distribution of marks across the syllabus:** As question mapping (appendix 1)
- **Marks Allocation:** 1 mark per question
- **Time Allocation:** 90 mins

2.2. Candidate Performance Overview

- **Total Number of Candidates:** 151
- **Highest Score:** 91%
- **Lowest Score:** 25%
- **Average Score:** 70%

For CC there were 20 resit candidates with a pass rate of 55%.

2.3. Analysis of Results

Table 2.1 presents the candidates' performance during PESA editions.

Table 2.1 - Candidates' performance

Date	N. of candidates	N. of candidates who passed the exam	Pass rate (%)
Nov 2022	460	283	62
May 2023	118	126	54
Nov 2023	48	25	53
May 2024	151	117	77

It is pleasing to see that the pass rate has improved since the November 2022 exam sitting. We saw an increase in candidates taking the exam for the first time (May and November 2023 saw a significant number of deferred and resit candidates. Candidates seem to have been better prepared for the exam in terms of knowing what to expect and utilising the revision activities provided by IDI.

Table 2.2 - Performance by Section:

Content Category	Questions	Total Scored %Correct
Case 1	5	70.46%
Case 2	5	70.46%
Case 3	5	71.79%
Case 4	5	65.17%
Standalone questions	15	70.29%

Candidate performance has significantly improved in areas where previously we have seen difficulties such as ethics.

2.4. Common Issues

It was great to see a marked improvement in the performance of candidates in questions on ethics. This is a significant part of the syllabus and candidates are encouraged to keep the focus on this area and use the materials provided by IDI.

Candidates have the most difficulty with questions where they are asked to apply the concepts from the education. The majority of PESA assessment questions take some type of application so it is recommended that participants prepare for these questions.

Candidates struggled with questions relating to ISSAI P12. Participants are not expected to memorise the principles in P12 but should understand the principles and apply them to identify actions that demonstrate the principles. IDI has provided an additional tutorial on P12 and PESA SAI Auditors are encouraged to watch the tutorial and consider who is acting and the extent to which the SAI can influence the action.

Candidates continue to struggle with questions on equal futures audit. Questions in this area will be application questions. Participants should be able to identify equal future actions from amongst other audit actions. Candidates are invited to explore what they would do in an audit to contribute to equal futures.

2.5. Recommendations for Future Exams

Candidates are reminded that there is a link between the IPDP and the exam. Diligently completing the IPDP assists with application questions.

In the Appendix to this report, we have mapped the learning objectives to the exam questions. This is a valuable tool for candidates to understand what will be expected of them in the exam.

Candidates preparing for the exam are encouraged to continue the focus on ethics and to look more closely at INTOSAI P12.



SAI Auditors continue to under-utilise the PESA Help Desk and we encourage SAI Auditors preparing for assessments to reach out via pesa.hesk.com to receive any assistance or further explanations required.

2.6. Conclusion

This has been a significant improvement in exam results across the board. The hard work of SAI Auditors and their coaches is reflected in these results.

3. Performance Audit

3.1. Introduction

This is the examiner's report related to the PESA exam for Performance Audit held from 23 May to 31 May 2024.

3.2. Exam Structure

- **Number of Questions:** 60
- **Types of Questions:** multiple choice with one correct option, multiple choice with multiple correct options and match.
- **Sections:** Section 1 has 15 standalone questions and sections 2, 3 and 4 have 15 questions each based on case studies.
- **Distribution of marks across the syllabus:** As question mapping (appendix 1).
- **Marks Allocation:** 1 mark per question. 60 questions.
- **Time Allocation:** 150 minutes.

3.3. Candidate Performance Overview

- **Total Number of Candidates:** 70
- **Highest Score:** 91%
- **Lowest Score:** 26%
- **Average Score:** 69%

For PA there were 11 resit candidates with a pass rate of 18%.

3.4. Analysis of Results

Table 3.1 presents the candidates' performance during PESA editions.

Table 3.1 - Candidates' performance

Date	N. of candidates	N. of candidates who passed the exam	Pass rate (%)
Nov 2022	163	90	55
May 2023	49	22	45
Nov 2023	23	7	30
May 2024	70	46	66

As we can see, the pass rate improved this year. The most meaningful comparison is with the rates from Nov 22 because, in May 2023 and Nov 2023, there was a big number of resits. Besides, the number of candidates in Nov 2023 was small, making it difficult to compare with the other editions.

The pass rate from May 2024 is as expected, considering the level of difficulty planned for the exam.

3.5. Performance by Section

The exam is structured in 2 parts: standalone questions about performance audit concepts, tools and techniques and the phases of the audit process; questions based on three case studies. Each case study contains a set of questions related to an audit on a specific topic and the questions span throughout the contents of the education material. They are application questions about the performance audit concepts, tools and techniques and the phases of the audit process.

The results of the May 2024 exams are shown in table 2.

Table 3.2 – Average of correct answers on the May 2024 PA exam

Question theme	Average of correct answers (%)
Standalone about PA principles	80.48
Standalone about PA tools and techniques	95.71
Standalone about PA planning	66.33
Standalone about PA conducting	74.21
Standalone about PA reporting	73.93
Case study 1	65.24
Case study 2	64.48
Case study 3	67.81

Overall, the candidates score better on the standalone questions. It is expected because they are more straightforward questions than the questions based on case studies.

Among the standalone questions, the best scores are on questions about tools and techniques because these techniques are simple to understand, though they might not be so simple to apply during the audits. The questions about the application of tools and techniques would appear in the case studies.

The worst scores are on questions related to planning a performance audit. This may reflect the fact that planning a performance audit requires specific competencies and skills, involves different activities and can be the most challenging and demanding phase of a performance audit.

The average score of correct answers among the 3 case studies didn't vary significantly, showing that the cases are equivalents when it comes to the difficulty level. Overall, the average of correct answers to the questions based on the case studies is lower than the standalone questions. It is expected because application questions tend to be more difficult than theoretical questions. However, application questions are more relevant and meaningful to achieving the PESA objective in contributing to professional SAI auditors.

3.6. Common Issues and Errors

It is possible to see from Table 1 that the candidates have performed better in this PESA edition. Probably the reasons for that are a better understanding of the initiative, more information and material, and support from PESA graduate auditors.

As mentioned before, the lower average of correct answers is on application questions and questions related to the planning phase of the performance audit. In this edition, from the questions analysed, most mistakes are on questions about audit criteria, followed by audit findings, objectives, questions and recommendations.

From the analysis of the options chosen by many participants, it is possible to conclude that some mistakes are made because people, though seem to understand the concepts of economy, efficiency and effectiveness, don't understand how to apply these concepts and don't understand the logic and the spirit of a performance audit. Some participants still have the mindset of a compliance or a financial auditor.

The participants spent longer time on questions attached to case studies and those with multiple responses required which is normal and expected. Besides, they struggle with the question type. From the analysis done in this edition, 14 out of 15 questions with fewer responses correct are questions where the participant needs to get 2 or more options correct to get the mark.

3.7. Recommendations for Future Exams

For future editions, the main recommendation is to focus on the nature of a performance audit, and on what performance audit objectives and questions look like. Besides, focus on the types of audit criteria and sources of criteria commonly used in performance audit.

Overall, it is advisable to review the education material before the exam, especially the contents of Paper 3.

It is also a good idea to dedicate proper time to the reflection questions in the IPDP to strengthen the link between the theory about performance auditing and the application of its concepts. This might help in answering the questions based on the case studies.

Another suggestion is, when answering questions that have more than one correct answer, think about each option carefully and separately.

3.8. Conclusion

The performance of the candidates for the May 2024 exams is as expected.

The main advice for future editions candidates is to focus on audit planning and on the application of the performance audit concepts. This will help with the exam and, above all, in understanding better the unique nature of performance audit, which will lead to be better performance auditors.

4. Compliance Audit

4.1. Introduction

This is the examiner's report related to the PESA exam for Compliance Audit held in May 2024.

4.2. Exam Structure

- **Number of Questions:** 60
- **Types of Questions:** multiple choice with one correct option, multiple choice with multiple correct options and match.
- **Distribution of marks across the syllabus:** As per the table provided when the questions were developed.
- **Marks Allocation:** 1 mark per question
- **Time Allocation:** 150 minutes.

4.3. Candidate Performance Overview

- Total Number of Candidates: 37
- Highest Score: 90%
- Lowest Score: 38%
- Average Score: 69%

There was 1 resit candidate for CA with a pass rate of 0.

4.4. Analysis of Results

Table 1 presents the candidates' performance during PESA editions.

Table 4.1 - Candidates' performance

Date	N. of candidates	N. of candidates who passed the exam	Pass rate (%)
Nov 2022	114	64	56
May 2023	26	17	65
Nov 2023	19	7	37
May 2024	37	25	68

The pass rate improved this year. We may need to separate the resits of the May 2024 exam to check how the new examinees performed.

4.5. Performance by Section

The exam is structured in 2 parts: standalone questions on the five papers and questions based on two case studies. Each case study contains a set of questions related to an audit on a specific topic and the questions span throughout the contents of the education material. They are application

questions about the compliance audit concepts, tools and techniques and the phases of the audit process.

The results of the May 2024 exams are shown in Table 4.2.

Table 4.2 – Average of correct answers on the May 2024 CA exam

Question theme	Average of correct answers (%)
Standalone	64.41
CAP 1 Introduction and concepts	
Standalone	75.23
CAP 2 Topic selection and pre-engagement	
Standalone	75.52
CAP 3 planning	
Standalone	73.51
CAP 4 Gathering and evaluating evidence	
Standalone	60.81
CAP 5 reporting	
Case study 1	67.23
Case study 2	67.03

Overall, the candidates scored similarly on average on the standalone and case questions. Among the standalone questions, they scored higher on questions on topic selection, planning and conducting. The questions about the application of tools and techniques would appear in the case studies.

On questions related to reporting and basic concepts of compliance audit, they scored lowest. Some of the concepts and issues regarding reporting, identified below, could be more challenging for the examinees.

The average score of correct answers among the two case studies didn't vary. Overall, the average of correct answers to the questions based on the case studies is lower than the three standalone questions. This could be due to the issues identified below as well.

4.6. Common Issues and Errors

Most mistakes are on questions about controls, risks, technical clarity on the concepts, the difference between assurance engagements, and the ability to determine the cause, effect, and consequences of a finding. Also, audit sampling issues were identified in a few cases.

The participants spent longer on questions attached to case studies and those with multiple responses required which is normal and expected. Often, they answered wrongly the case questions based on the answer options given and the stem only, not relating them to the facts provided in the case.

4.7. Recommendations for Future Exams

For future editions, the main recommendation is to focus on controls, risks, technical clarity on the concepts, the difference between assurance engagements, and the ability to determine the cause, effect, and consequences of a finding.

It is also a good idea to dedicate proper time to the reflection questions in the IPDP to strengthen the link between the theory about performance auditing and the application of its concepts. We have seen a link between the performance in the application-based questions and the completion of the IPDP.

In the exam itself candidates are encouraged to read the case study carefully and link answers back to the case study when selecting options. Candidates are reminded that when answering questions that have more than one correct answer, they think about each option carefully and separately.

4.8. Conclusion

The main advice for future edition candidates is to focus on audit reporting and the application of the compliance audit basic concepts in paper one. They also need to relate the case info while answering case questions.

5. Financial Audit

5.1. Introduction

This is the examiner's report on the PESA exam for Financial Audit held in May 2024.

5.2. Exam Structure

Number of Questions	60 questions
Types of Questions	Multiple choice with one correct option, multiple choice with multiple correct options and match
Distribution of marks across the syllabus	As per the table provided when the questions were developed
Marks Allocation	20 Marks on standalone questions and 40 marks for Case study question
Time Allocation	150 minutes

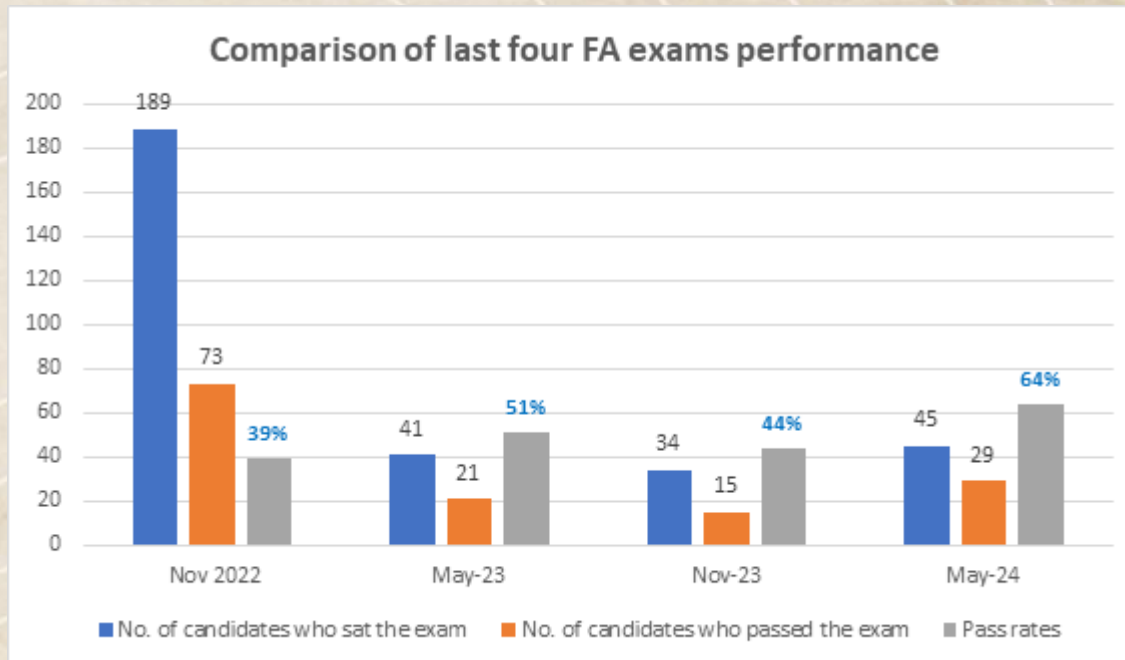
5.3. Candidates' Performance Overview

- Total Number of Candidates: 45
- Highest Score: 93
- Lowest Score: 30
- Average Score: 67

There were 6 resit candidates for FA with a pass rate of 33%.

5.4. Trend analysis of financial audit exam results

Chart 5.1 presents the candidates' performance over the last four sittings of PESA financial audit exams.



Based on the recent trend, there has been a noteworthy increase in the FA exam pass rate, rising from 44% in the previous sitting to 64% in the May 2024 sitting. This improved performance could be attributed to the additional tutorial support provided to the candidates. It is also evident that candidates are gaining a better understanding of what to anticipate from the PESA FA exams. Furthermore, there were only a few candidates who retook the exam, resulting in more first-time sitters who traditionally performed better.

5.5. Performance by Section

The exam has two components: independent questions on the five papers, and questions based on six case studies. Each case study includes a series of questions related to a specific theme, encompassing the entire financial audit process. These questions are scenario-based and require candidates to apply the financial audit ISSAIs requirements to the given cases. The results of the May 2024 exams are shown in Table 5.1.

Table 5.1 – Average of correct answers on the May 2024 FA exam

Content Category	Max Scored Questions in Content Area	% Correct
Case 1: Pre-engagement activities	5	59.56
Case 2: Risk assessment	5	65.78
Case 3: Analytical procedures throughout the audit	10	64.00
Case 4: Auditor's response to risks	10	67.78
Case 5: Gathering evidence	5	69.33
Case 6: Reporting and follow-up	5	57.33
Standalone questions Paper 1: Introduction, Concepts and Principles of Financial Audit	5	72.44
Standalone questions Paper 2: Pre-engagement	1	95.56
Standalone questions Paper 3: Planning and risk assessment	8	66.94
Standalone questions Paper 4: Conduct a Financial Audit	5	66.67
Standalone questions Paper 5: Completion, Reporting and Follow-up in Financial Audit	1	66.67

The candidates demonstrated strong performance across most of the standalone and case questions, showing particular strength in grasping concepts and principles of financial audit, as well as pre-engagement activities. Interestingly, candidates scored better in complex areas such as risk assessment and risk responses, compared to the more straightforward topic of pre-engagement activities. However, candidates struggled the most in the case study on reporting and follow-up, despite it being less complex than other phases of the financial audit process.

We have seen an improvement in questions about materiality and that this could be due to the additional tutorial provided for this sitting.

5.6. Common issues and errors

The analysis revealed that the majority of errors occurred in the case study questions of six case studies. Despite the seemingly straightforward nature of Case 1: Pre-engagement activities and Case 5: Reporting and follow-up, candidates struggled with applying the requirements of ISSAI 2210, ISSAI 2700 series, and ISSAI 2450 to the given scenarios. In addition, candidates encountered difficulties in Case 3 regarding the planning and execution of analytical procedures, a challenge not previously identified. Overall, it is evident that candidates may not be thoroughly comprehending the question requirements in the case study section.

5.7. Recommendations for future exams

Candidates are reminded to address the common issues and errors within their revision and to make use of the IDI-provided tutorials and revision materials.

Candidates are also encouraged to be thorough in their completion of the IPDP as we have seen that those with strong IPDP perform better on application-based questions.

Candidates have struggled the most with Case 5 and participants are reminded to manage the time allocation to ensure adequate time is available for Case 5 remembering that they can flag questions and return later if there is an area creating time pressure.

We have identified some areas for improvement in a few questions, and we will ensure that these are addressed before the next exam. Additionally, we are considering providing tutorials on planning and performing analytical procedures in an audit of financial statements to support candidates in enhancing their performance in this area.

5.8. Conclusion

Future edition candidates should focus on maximizing their potential to score higher marks on pre-engagement activities and reporting and follow-up. Understanding the requirements of the questions in the case studies is crucial for success.